



**City of Hagerstown
Department of Community & Economic Development**

PROGRAMS & SERVICES

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Revised 1/6/2025

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* Income Qualifications Apply

For programs utilizing CDBG funding, Income eligibility determinations are based on the requirements of the CDBG program, utilizing the Section 8 "annual income" definition at 24 CFR 5.609 of the HUD regulations.

Current CDBG Income Limits* – Hagerstown, MD

# Persons in Household	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Annual Income	\$50,900	\$58,200	\$65,450	\$72,700	\$78,550	\$84,350	\$90,150	\$96,000

*Maximum household annual income determinations will include income of all current household members age 18 and over, regardless of relationship to the applicant.

City of Hagerstown
Department of Community & Economic Development

PROGRAMS & SERVICES

The following is a summary of our Programs and Services. For each program, a short summary is provided along with a website link for detailed information. For each program, full guidelines and application requirements apply.

PROGRAMS FOR BUSINESSES & PROPERTY RENOVATION

Arts & Entertainment (A&E) District

[Website Link](#)

- Open to property owners and businesses in the defined downtown Arts & Entertainment (A&E) District.
- Ten-year tax credit on change in assessed value resulting from a renovation project that creates artist housing or space for arts & entertainment enterprises.
- Exemption from Admissions and Amusement Tax for visual and performing arts enterprises.
- Personal income tax subtraction for qualifying resident artists related to income from the sale, publication or production of artistic work.

City Center Redevelopment Grant

[Website Link](#)

- Grants from a minimum of \$150,000 to a maximum of \$250,000 for large scale commercial and mixed-use projects within Hagerstown's City Center Mixed Used (CC-MU) Zoning District.
- Requires a minimum 2:1 match from the developer.
- Projects ranging from \$450,000 to \$750,000+.

City Center Vacant Storefront Incentive Program

[Website Link](#)

- Grants for renovation of vacant storefronts to bring the spaces to shell condition.
- Projects must be by for-profit entities and within the Downtown City Center Mixed Use (CC-MU) Zoning District.
- Projects must be completed by 5/31/2026.
- Maximum grant of \$50,000, no minimum.
- Requires 1:1 match from the applicant
- Up to 3 storefronts will be eligible within a single building if each is vacant and if each will be occupied by separate businesses.

City-Wide Redevelopment Grant

[Website Link](#)

- Grants from a minimum of \$5,000 to a maximum of \$25,000 for projects city-wide.
- Requires a minimum 2:1 match from the developer
- Projects ranging \$15,000 to \$75,000+.

Commercial Sign & Façade Grant Program

[Website Link](#)

- Provides grants to increase brand visibility and encourage the enhancement of a building's presentation with improved storefront and other façade elements within the Downtown Main Street District.
- Sign grants range \$250-\$1,500, and façade grants range \$2,500-\$7,500.
- Both require a 1:1 match from the developer.

Competitive Negotiated Sales (CNS) of City Owned Property

[Website Link](#)

- The City of Hagerstown has city-owned property for sale through the Competitive Negotiated Sale process. The application process seeks plans for redevelopment of property in combination with an offer price.

Enterprise Zone

[Website Link](#)

- Open to commercial projects only in the designated zone that includes all of the CC-MU Zoning District and other sections of the City.
- In City Center, requires \$5,000 construction or rehab investment or the creation of one new job.
- City Wide, requires \$50,000 construction or rehab investment or the creation of 5 new jobs.
- Provides real property tax credits on the change in assessed value from the rehab investment.
- Provides income tax credit for wages paid to eligible new employees.

Fire Suppression System Grant

[Website Link](#)

- Open to commercial or mixed-use buildings in the CC-MU zoning district.
- The property must be within the Sustainable Communities Area of the City.
- Program provides grants of \$15,000 to \$25,000 to fund costs directly related to significant water service utility upgrades for an NFPA compliant fire suppression system.
- The program also provides grants of \$7,500-\$15,000 to fund costs associated with sprinkler additions or upgrades.
- Requires 1:1 match from applicant. (Example: Grant 25,000 + Match \$25,000 = \$50,000+ Project.)

HUB Zone

[Website Link](#)

- Open to qualified small businesses with principal offices in the designated zone which includes much of downtown and other sections of the City.
- A qualified business includes one that is 51% owned and controlled by a US Citizen and with 35% of employees living in the zone.
- The program helps businesses gain preferential access to federal procurement opportunities.

Main Street Startup Grant

[Website Link](#)

- Grants for two components that can be combined:
 - Small Business Rental Assistance – providing up to 6 months rent paid to landlord with commitment of business to occupy the space for a minimum of 1 year.
 - Small Business Improvements – providing funds for renovation/fit-out of an eligible vacant storefront; purchase of furniture, fixtures and equipment; and business marketing/promotion services.
- Projects must be by for-profit entities and within the Main Street District.
- Projects must be completed by 10/15/2025.
- Maximum combined grant of \$50,000, no minimum.
- Small Business Improvements component requires 1:1 match from the applicant.
- Up to 3 storefronts will be eligible within a single building if each is vacant and each will be occupied by separate businesses.

Microenterprise Grant Program *

[Website Link](#)

- Open to businesses with five or fewer employees (including the business owner)
- Program provides grants up to \$5,000 for reimbursement of various business expenses including working capital, necessary fixed assets, business training, and operational expenses. Real property improvements or rehabilitation is not allowed under the grant provisions.
- HUD income limits apply – maximum of 80% of median income (AMI).

Opportunity Zone

[Website Link](#)

- The designated zone includes 4 census tracts which include much of downtown and other sections of the City.
- The program allows for unrealized capital gains to be redirected and invested in real estate projects or businesses in the designated zone.
- The program provides a temporary deferral of capital gains taxes, a tax liability reduction if held for 7 years, and a permanent tax exemption of any capital gains on subsequent investments if held for 10 years.

Partners in Economic Progress (PEP) – Building Rehabilitation Projects

[Website Link](#)

- Open to property owners and businesses in downtown defined as the CC-MU zoning district.
- Requires minimum rehab investment of:
 - \$250,000 for commercial project
 - \$200,000 for mixed-use project
 - \$100,000 for residential project
- Requires renovation to bring building and core systems to City code requirements and program standards.
- Provides a package of incentives that includes:
 - Annual Grant equal to City Property Tax for 5 years
 - Utility benefit of 2 free EDU's valued at \$15,084
 - Rent Assistance to attract first tenants following renovation and paid to property owner.
 - Waiver of Development Fees
 - Parking Program Fee Reductions
 - Fast Tracking
 - Code Flexibility using the Maryland Building Rehabilitation Code
 - Consultation on Historic Tax Credit Program – 2 hours

Partners in Economic Progress (PEP) – Business Rent Relief Program ([Select Properties](#))

[Website Link](#)

- Available only in PEP eligible buildings, meaning those properties in which owners have completed minimum investment and improvements. See Website Link for list of eligible properties and leasing contacts.
- Maximum incentive of up to \$24,000 for the first two or three years of a business' operation
- Option 1 – 24 months
 - 50% monthly rent for 24 months at a max of \$1,000
- Option 2 – 36 months
 - 50% monthly rent for months 1-12 at a max of \$1,000
 - 35% monthly rent for months 13-24 at a max of \$700
 - 15% monthly rent for months 25-36 at a max of \$300
- The business must maintain a lease and operate its business at the tenant space for a minimum of four (4) years.
 - If the business occupies the space for 0-24 months, they must repay 100% of the grant benefit.
 - If the business occupies the space for 25- 47 months, they shall repay a pro-rated share of the grant benefit as calculated by the City.
- The business must be a new or existing business looking to move into the PEP Zone OR an existing business currently within the PEP Zone looking to expand.
- The business must plan to occupy upper-floor office space or first-floor, non-storefront commercial space in a PEP approved building. First-floor, storefront space is not eligible.
- The incentive is subject to application by the tenant business and approval by the City.

Rental Property Rehabilitation Grant Program

[Website Link](#)

- Grants from a minimum of \$7,500 to a maximum of \$20,000 for the rehabilitation of rental properties to market rate city-wide.
- Projects receiving grants greater than \$7,500 require renovation of two or more units within a single property/parcel.
- Requires a minimum 2:1 match from the developer
- Projects ranging \$22,500-\$60,000+.

Revolving Loan Fund

[Website Link](#)

- Open to businesses City wide.
- Program provides low interest loans ranging from \$10,000 to \$200,000.
- Loan amount can equal, but cannot exceed 80% of total project costs, terms up to 7 years, fixed interest rate of PRIME plus 1% or a minimum of 3%.
- Maximum loan amount for working capital is \$30,000.

Spring Sprouts Grants

[Website Link](#)

- Open to for-profit businesses in downtown defined as the City Center Mixed Use (CC-MU) zoning district.
- Program provides grants up to \$750 to purchase items, equipment, or training to help businesses grow, expand, operate more efficiently and/or more competitively, and increase storefront beautification.

PROGRAMS FOR HOMEOWNERS

CDBG Homeownership Program *

[Website Link](#)

- The City purchases vacant properties, and following renovation, the properties are sold at current appraised value to qualified applicants.
- HUD income limits apply - maximum of 80% of area median income (AMI).

Emergency Repair Grants *

[Website Link](#)

- Open to owner-occupied homeowners City wide.
- Program provides a grant up to \$15,000 for eligible emergency repairs.
- HUD income limits apply - maximum of 80% of area median income (AMI).

Invest Hagerstown Homeownership Initiative

[Website Link](#)

- Homeownership Down Payment and Closing Cost Assistance loan-to-grants of \$7,500 offered City Wide.
- Loan is forgiven if homebuyer maintains the structure as their permanent residence for at least 5 years.

Maryland Housing Rehabilitation Program (MHRP) *

[Website Link](#)

- The Department of Community & Economic Development administers loans for this State of Maryland program.
- Open to owner-occupied single-family homes and rental housing with one to four units City - limits.
- Program provides loans for rehabilitation to bring properties to applicable building codes and standards.
- Income limits apply - maximum of 80% of area median income (AMI).

Single Family Rehabilitation Loans and Rental Rehabilitation Loans *

[Website Link](#)

- Open to owner-occupied homeowners and investment owners of residential or mixed-use property City wide.
- Program provides low interest loan to complete comprehensive improvements to properties.
- HUD income limits apply - maximum of 80% of area median income (AMI).

PROGRAMS FOR NON-PROFIT ORGANIZATIONS

CDBG Public Service Grants

[Website Link](#)

- Community Development Block Grant (CDBG) Public Service Grants fund eligible activities of local non-profit organizations.
- Objectives of the program include activities that provide decent housing, a sustainable living environment or expanded economic opportunities for low-and-moderate income persons.
- An open application process runs annually from approximately mid-December to mid-January. See website link for timeline, guidelines/forms and deadlines.
- Non-Profit organizations and proposed programs must meet federal requirements of the CDBG program – a program of the US Department of Housing and Urban Development (HUD).
- Limited funding is available with a maximum total annual distribution based on HUD guidelines.

SERVICES

Business Grand Openings & Anniversary Celebrations

[Website Link](#)

- The Department of Community & Economic Development coordinates Grand Opening and Anniversary celebrations for Hagerstown businesses
- Visit the website for the Event Request Form.

RESOURCES

Business Resources

[Website Link – for Full List of Resources](#)

- [Western Region Small Business Development Center \(SBDC\)](#)
Offers assistance with business plan development, start-up information and one on one counseling
Herb Melrath, Business Consultant
100 West Washington Street, Suite 1401
Hagerstown, MD 21740
(888) 237-9007 ext. 4
hjmelrath@frostburg.edu
[Website Link](#)
- [SCORE Mid-Maryland](#)
Expert, free counseling for both startup and continuing small business. SCORE is a 10,000+ member, volunteer non-profit association sponsored by the U.S. Small Business Administration.
[Website Link](#)
- [Western Maryland Consortium](#)
Offers a variety of free programs to help offset the cost of hiring, training, and certifying new and existing employees.
[Website Link](#)
- [Maryland Business Express](#)
Maryland's resource to plan, start, manage and grow a business.
[Website Link – General](#)

[Website Link – Plan Your Business](#)
Website includes 7 steps to planning your business:
 1. Create a Business Plan
 2. Find Business Funding

-
3. Pick a Location
 4. Choose a Business Structure
 5. Select a Name
 6. Research Licenses & Permits
 7. Planning to Register Your Business (includes Checklist of items needed to Register)

[Website Link – Start Your Business](#)

Website includes 7 steps to starting your business:

1. Register Your Business in Maryland
2. Obtain a Federal Tax ID Number from the IRS
3. File the Required Federal Beneficial Ownership Information Report
4. Apply for Maryland Tax Accounts and Insurance
5. Obtain Licenses or Permits
6. Purchase Business Insurance
7. Purchase Health Insurance

Zoning Certificate and Business License

[Website Link – Zoning Certificate](#)

- Obtain a *Certificate of Zoning Compliance* from the City of Hagerstown which may be presented to the Office of the Clerk of the Circuit Court for a *Business License*.

Contact:

City of Hagerstown, Planning and Code Administration Office (301) 739-8577 ext 138

planning@hagerstownmd.org

Washington County Circuit Court

Clerk of Circuit Court – Kevin Tucker Phone: 301-790-7991

washcocc_clerk@mdcourts.gov

Street Address: 24 Summit Avenue, Hagerstown 21740

Mailing Address: P.O. Box 229, Hagerstown, MD 21741

[Website Link – Business License Instructions](#)

Parking Programs

[Website Link](#)

- **Validated Parking Program**

- Businesses can participate in a Validated Parking Program for customers to park in City Parking Garages.
- A Parking Division team member can schedule a demonstration on how the program works.
- Contact Angela Zeger, Parking System Supervisor, at azeger@hagerstownmd.org and (301) 739-8577 ext. 479.

- **Monthly Parking Passes**

[Website Link – Parking Permits](#)

[Website Link – Parking Rates](#)

- Monthly Parking Permits may be purchased for the University District Garage, the Arts & Entertainment Garage; the Hub City Garage; and the City Center Municipal Parking Lot.
- Rates range from \$56 to \$90 per month based on location. See website link for current parking rates.
- All permits must be purchased at City Hall, 1 E. Franklin Street, 1st floor Billing Department.

- **Curbside Pickup Parking**

[Website Link](#)

- Parking is free at the 20 curbside parking zones downtown.
- Time limit 10 minutes maximum. Enforcement after 30 minutes.
- View a map of designated spots on the website link. [here](#).

MAPS

City of Hagerstown GIS Map Tools

[Website Link – GIS Landing Page](#)

Hagerstown Zoning District Map

[Website Link – Zoning District Map](#)

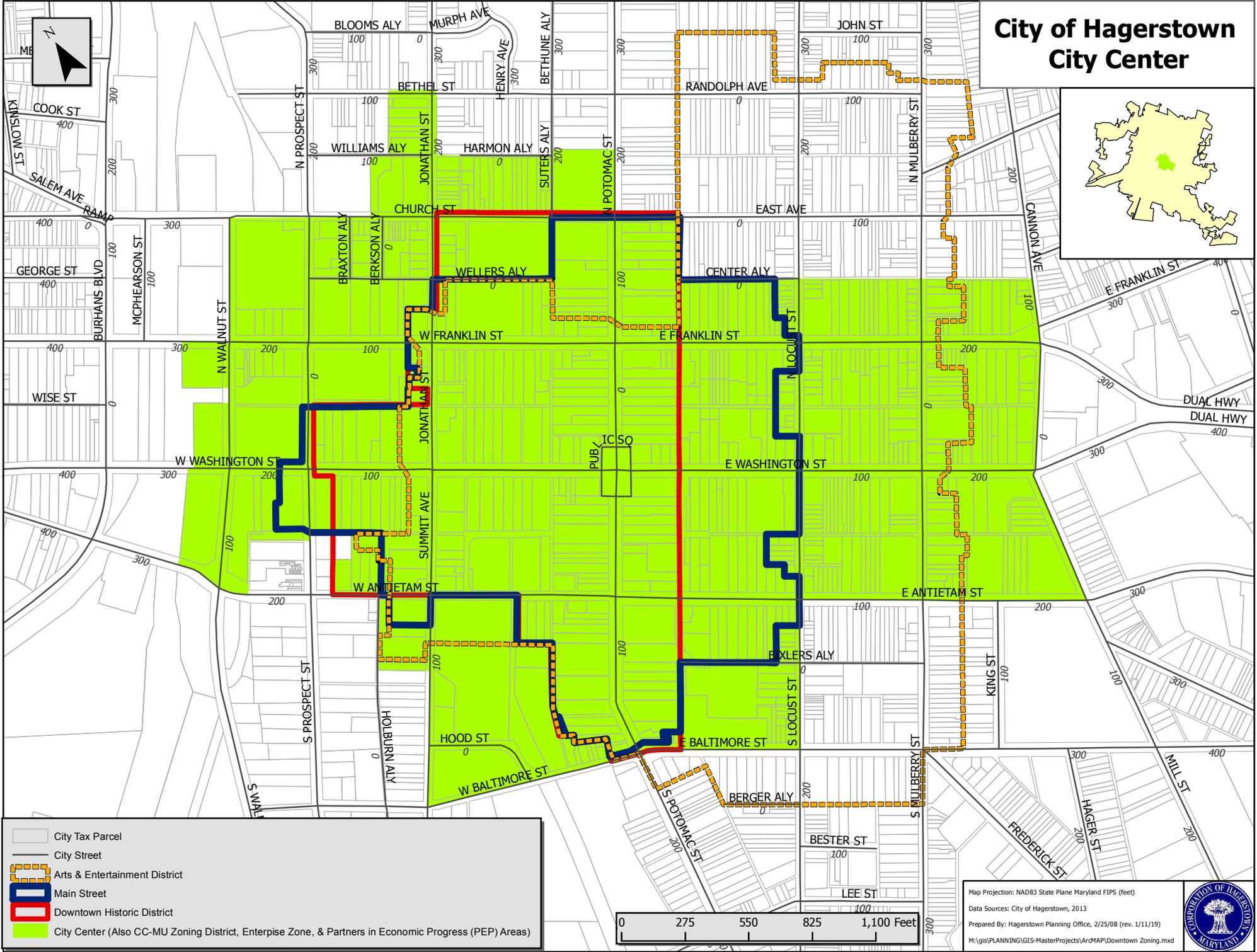
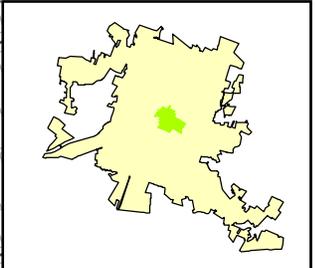
- View City zoning district boundaries with parcel overlay.

Hagerstown Planning and Economic Development Map

[Website Link – Planning and Economic Development](#)

- View the following map layers within the Planning and Economic Development map
 - Arts & Entertainment District
 - Downtown District – City Center Mixed Use (CC-MU) Zoning District
 - Enterprise Zone Map
 - Historic Districts Maps including Downtown Historic District
 - Main Street District
 - Opportunity Zone Map

City of Hagerstown City Center

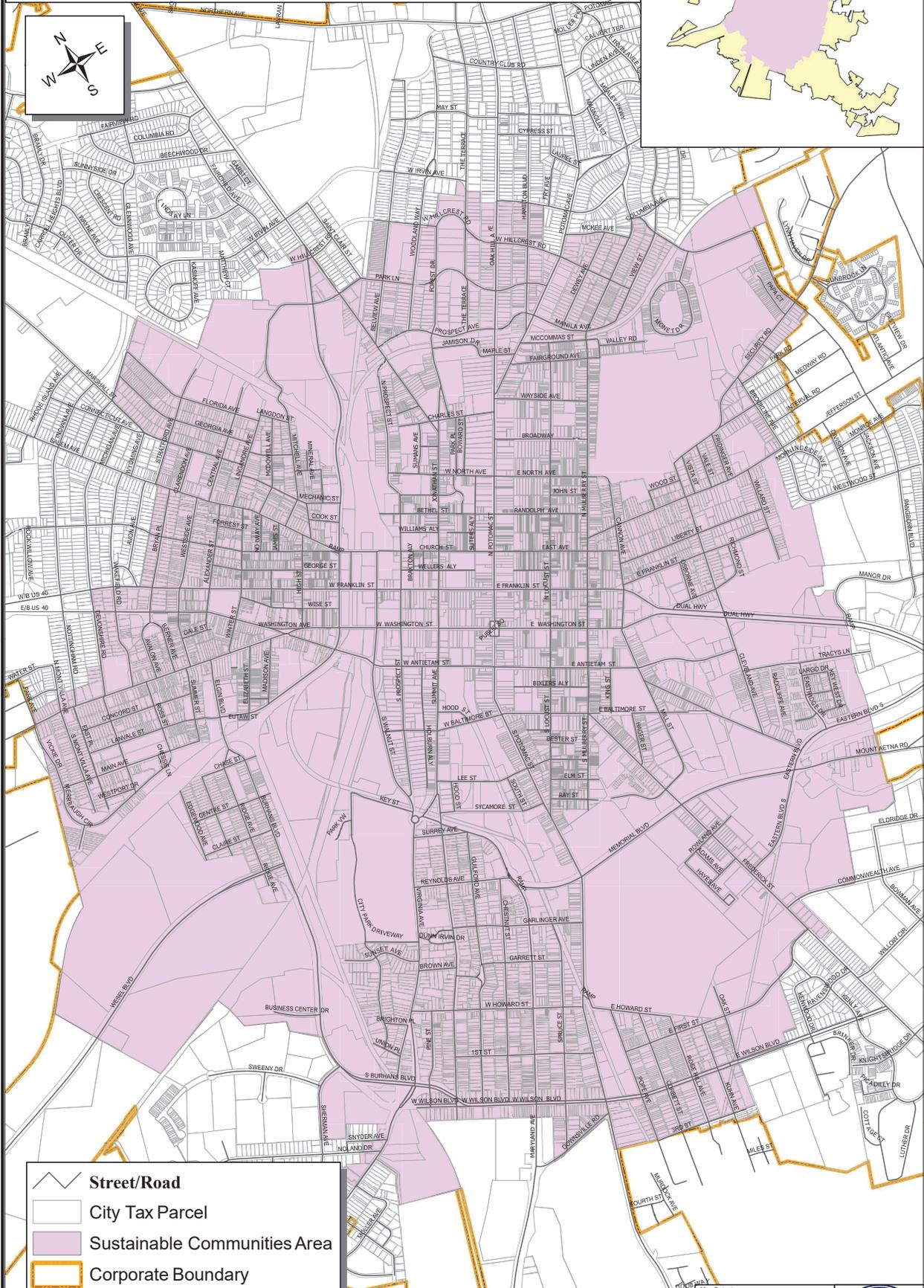
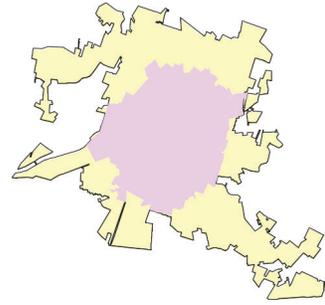


-  City Tax Parcel
-  City Street
-  Arts & Entertainment District
-  Main Street
-  Downtown Historic District
-  City Center (Also CC-MU Zoning District, Enterprise Zone, & Partners in Economic Progress (PEP) Areas)

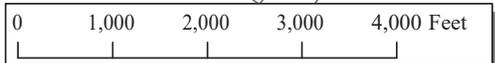
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 Data Sources: City of Hagerstown, 2013
 Prepared By: Hagerstown Planning Office, 2/25/08 (rev. 1/11/19)
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City of Hagerstown Sustainable Communities Area



	Street/Road
	City Tax Parcel
	Sustainable Communities Area
	Corporate Boundary



Map Projection:
NAD83 State Plane Maryland FIPS (feet)

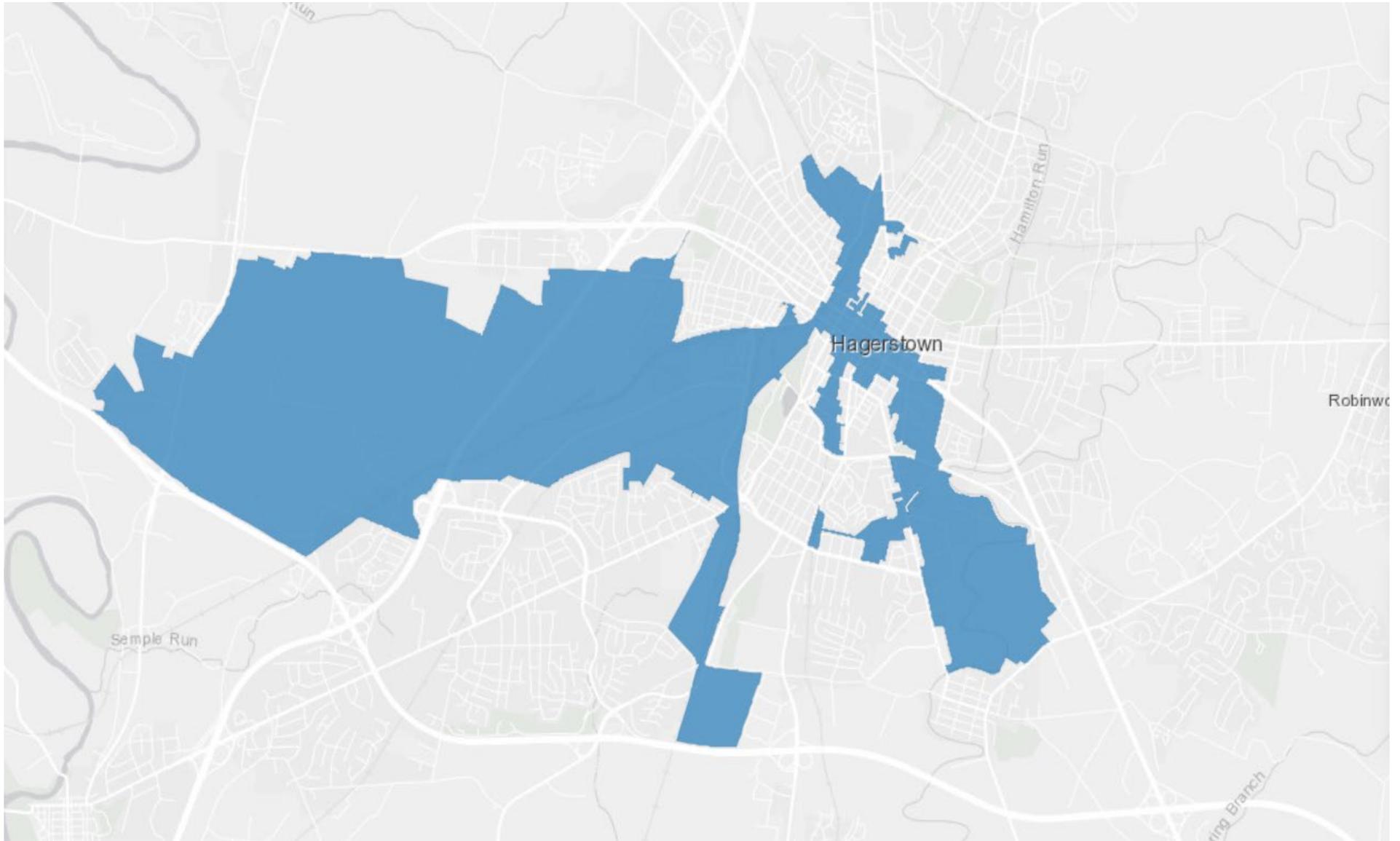
Data Sources:
City Hagerstown, 2008
Washington County, 2007

Prepared By:
Hagerstown Planning Office, 9/30/11

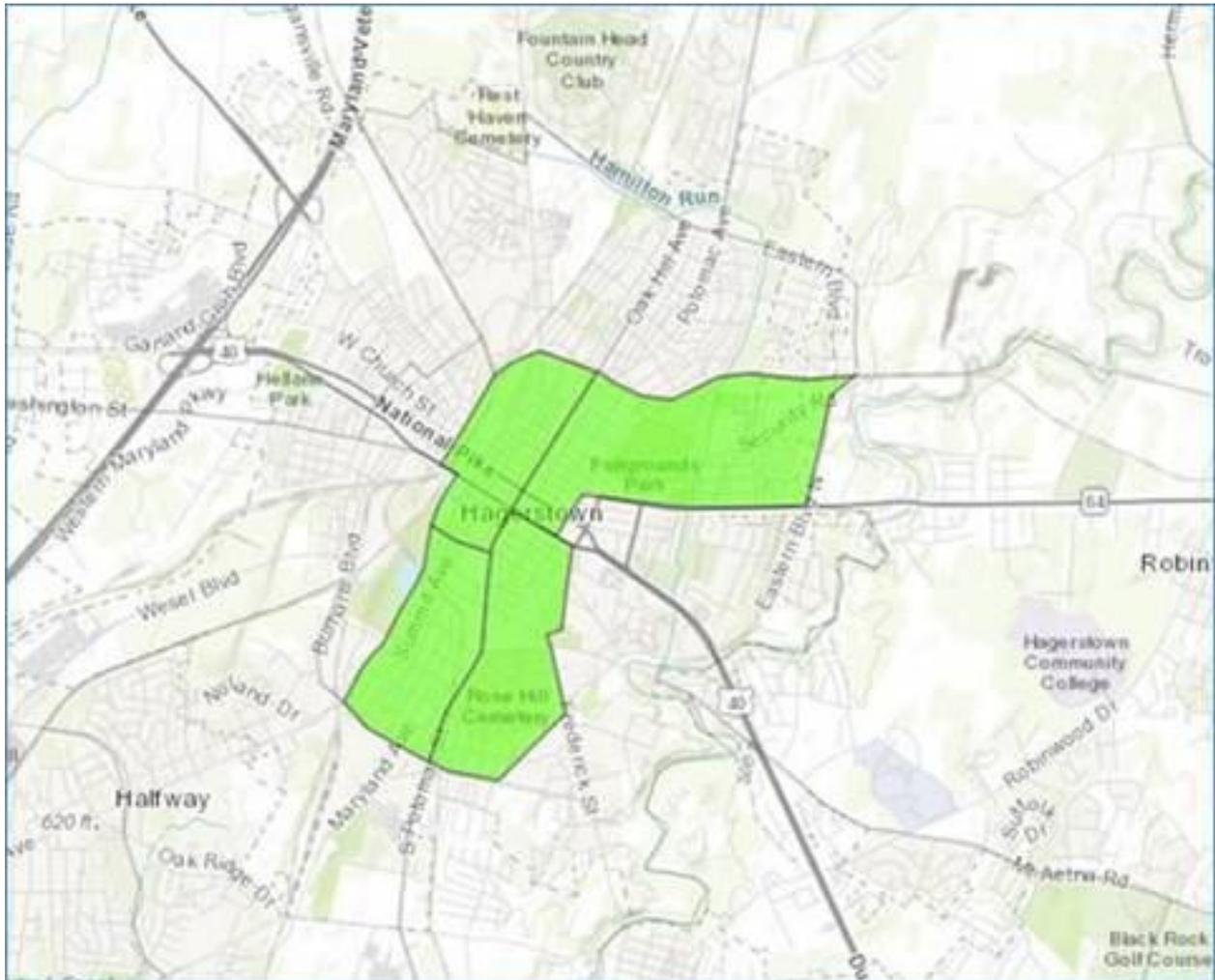
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Revitalization.mxd



Hagerstown/Washington County Enterprise Zone 2022



Opportunity Zone Map



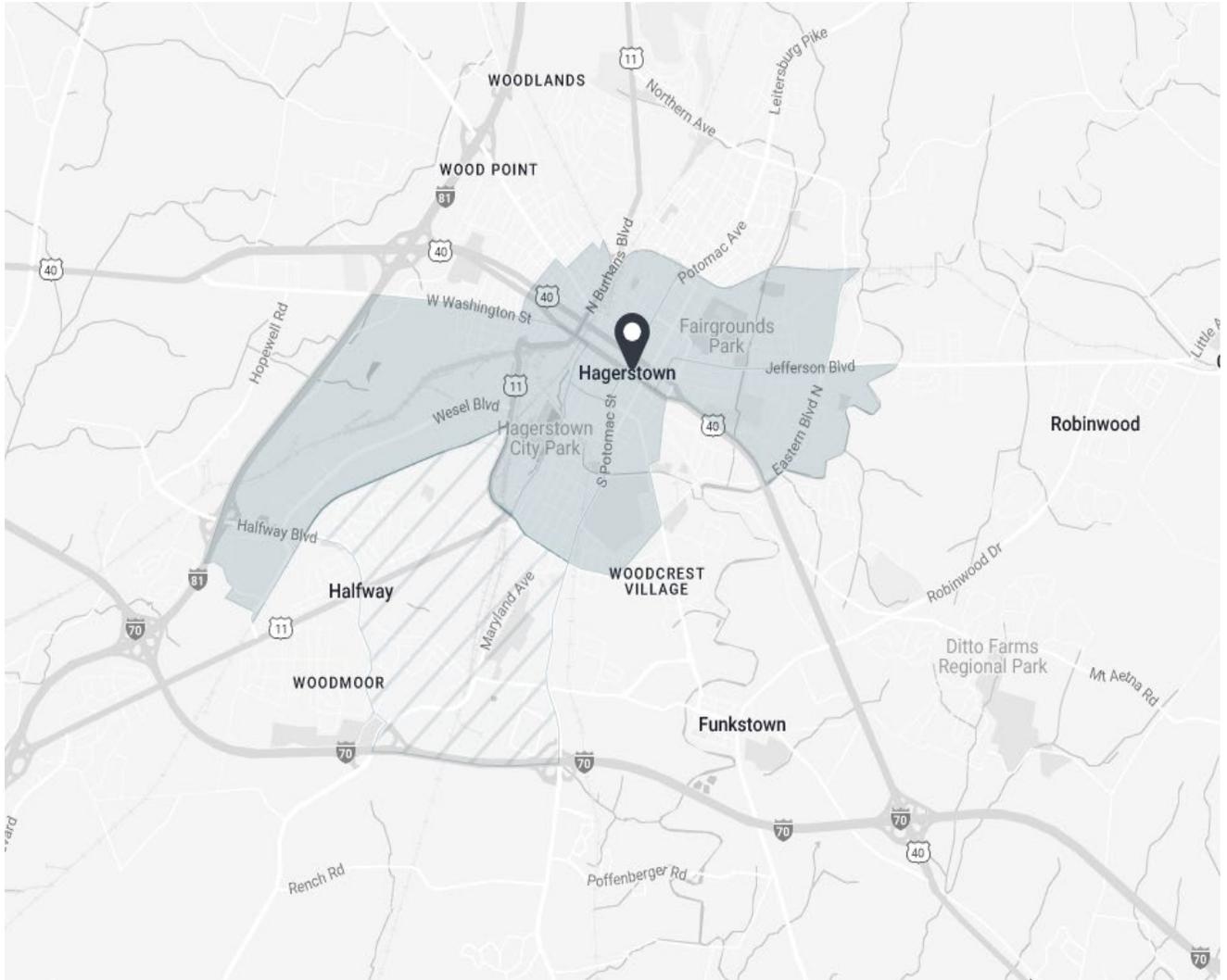
State Website Link

<https://dhcd.maryland.gov/Pages/OZ/OpportunityZones.aspx>

State Map Tool (Link above and click on "Incentive Lookup")

<https://maryland.maps.arcgis.com/apps/webappviewer/index.html?id=1cc479d2dc3948239f0c47bda8b6967e>

Hagerstown/Washington County HUB Zone



Legend

2020 Census Boundaries

- County
- Tract

Qualified HUBZones

- Census Tract
- Newly Qualified
- County
- Newly Qualified
- Indian Land

Expiring HUBZones

- Redesignated
- Disaster Area
- Governor-Designated Covered Area

The Community's City Center Plan

Take a look at the future of our downtown... This is a 10-year roadmap for eight catalyst projects that will spur development in our City Center. The Community's City Center Plan includes detailed annual steps for making these concepts a reality. It creates at least 875 new permanent jobs, bringing \$125 million in new investment downtown.

This is a public-private partnership, where private developers invest 75% of the cost while funding from all levels of government will cover the rest. The City's consultants, Urban Partners, conclude that all of these projects are feasible based on their economic analysis.

This roadmap is the result of broad community input, with the consultants spending over 130 hours collecting feedback from the community. We appreciate your participation in this project to help move our downtown forward!

HAGERSTOWN



CITY CENTER

1. Office Development and Recruitment:



- Position downtown to compete for new office development using portions of Central Parking Lot
- City partners with a selected, experienced developer through a competitive process
- Estimated 154,000 square-foot new office development across three buildings
- Current parking accommodates first 70,000 square feet; additional office will require new parking deck

2. Maryland Theatre Expansion Project:



- Expand draw of downtown's largest attraction
- Grow from 150 to 225 performance days per year, increasing the audience by 60,000 annually
- Continue necessary improvements to seating and "back of house"
- Create new entrance, offices and performance space

3. USMH Expansion Support:



- Support USMH growth from 500 to 750 students
- Add facilities for culinary arts, tourism and hospitality programs
- Capture student housing opportunities downtown:
 - Three upper-floor renovation projects
 - 12 units to house 24 students

FOR MORE INFORMATION, VISIT US ONLINE AT HAGERSTOWNMD.ORG





The Community's City Center Plan

4. Hotel/Conference Center and Heritage Center/Commemorative Park:



- Construct 200-room "Upper Upscale" hotel (i.e. Sheraton, Wyndham, Hilton)
- Programmed with adjacent 20,000 square-foot conference center
- Establish Civil War Heritage Center and Commemorative Park

5. Linking City Park/WCMFA and A&E District with Trail & New Housing:



- Construct multi-use trail linking City Park with Public Square
- Add 31 new townhomes along trail in first 10 years (more later)
- Rehabilitate Dagmar Hotel and three other W. Antietam buildings as 85 loft apartments

6. Expanded Downtown Arts/Events Programming:



- Build upon positive atmosphere created by events in downtown Hagerstown
- Coordinate with Maryland Theatre programming
- Utilize Main Street and other new funding sources to expand events
- Establish consolidated events calendar

7. Expanded Operations of the City Farmers Market:



- Expand from 7 to 35 hours per week operation
- Implement private management approach
- Coordinate with existing tenants; recruit needed additional tenants
- Make necessary capital improvements
- Re-brand & promote to capture portion of estimated \$13 million in unmet demand for specialty foods

8. Expanded and Targeted Home Ownership Support:



- Aggressively market downpayment assistance
- Target Neighborhoods 1st support programs
- Target Neighborhoods 1st infrastructure and amenity improvements
- Continue acquisition, rehab and resale program
- Establish annual rental licensing inspections
- Continue excessive nuisance enforcement programs



